

Message Text

CONFIDENTIAL

PAGE 01 CAIRO 13670 171808Z
ACTION TRSE-00

INFO OCT-01 NEA-10 ISO-00 EB-08 SS-15 NSC-05 SY-05
USSS-00 /044 W

-----069892 172234Z /72

R 171410Z AUG 77
FM AMEMBASSY CAIRO
TO SECSTATE WASHDC 8406

C O N F I D E N T I A L CAIRO 13670

PASS TREASURY

E.O. 11652: GDS
TAGS: OVIP (BLUMENTHAL, W. MICHAEL)
SUBJ: TRAVEL BY TREASURY SECRETARY BLUMENTAHL

REF: (A) STATE 192528, (B) CAIRO 13517

1. BELIEVE IN ADDITION TO SADAT (WHO WE EXPECT TO BE AVAILABLE)
AND KAISOUNI (WHO HAS ALREADY WELCOMED VISIT -- CAIRO 13517),
SECRETARY BLUMENTHAL SHOULD CALL ON PRIMIN SALEM AND CENTRAL
BANK GOV IBRAHIM. MINFIN HAMED AND MINECON EL SAYEH ALSO
ARE LIKELY CANDIDATES, BUT POSSIBLY WILL BE INCLUDED IN
MEETING WITH DR. KAISOUNI, IF PAST PRACTICE IS FOLLOWED.

2. MAJOR ISSUE FOR CONSIDERATION IS REVIEW OF AND BRIEFING
ON US POSITIONS IN CURRENT STATE OF PLAY OF NORTH-SOUTH
DIALOGUE. IF DEEMED USEFUL, ADDITIONAL MEETING OR TWO TO
ADDRESS SPECIFICS OF OUTSTANDING QUESTIONS IN THIS AREA
COULD BE SET UP FOR MEMBERS OF SECRETARY'S PARTY WITH
INTERESTED SUBMINISTERIAL GOE OFFICIALS, FOR EXAMPLE IN MFA.

3. PROBLEM AREA OF SPECIAL APPLICABILITY TO EGYPT IS USES
OF US-OWNED EGYPTIAN POUNDS. AS DEPARTMENT AND TREASURY ARE
AWARE, ISSUE INVOLVES RATE OF INTEREST RETURN ON OUR
HOLDINGS AND AVAILABILITY OF US-SOURCE LE FUNDS FOR LOAN
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 CAIRO 13670 171808Z

PURPOSES TO PRIVATE SECTOR BY JOINT VENTURE BANKS WITH
AMERICAN PARTICIPATION. QUESTION OF SEEKING HIGHER INTEREST
RATE ON OUR DEPOSITS MAY WELL BE MOOT IN LIGHT OF OUR
LARGER COMMITMENTS IN EGYPT-- AND FOR THAT REASON WE DO
NOT RECOMMEND DISCUSSING IT AT THIS TIME. THERE MIGHT
WELL BE UTILITY IN EXPLORING POSSIBILITY OF RELEASE BY GOE
OF PORTION OF PRESENTLY-BLOCKED USG HOLDINGS IN JOINT

VENTURE BANKS FOR LOANS, HOWEVER. (ISSUE WAS RAISED WITH FORMER MINFIN BY FORMER SECRETARY SIMON IN 1976, BUT WITHOUT RESULT, DUE MAINLY TO GOE FEARS OF INFLATIONARY PRESSURES.) TREASURY MIGHT WISH TO REVIEW STATUS OF US-EGYPTIAN SURPLUS CURRENCY SITUATION IN GENERAL PRIOR TO SECRETARY'S TRIP.

4. PLEASE ADVISE.
EILTS

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Sent Date: 17-Aug-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977CAIRO13670
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770297-0630
Format: TEL
From: CAIRO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770854/aaaabtqo.tel
Line Count: 71
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 78326b59-c288-dd11-92da-001cc4696bcc
Office: ACTION TRSE
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 77 STATE 192528, 77 CAIRO 13517
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 25-Jan-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1581242
Secure: OPEN
Status: NATIVE
Subject: TRAVEL BY TREASURY SECRETARY BLUMENTAHL
TAGS: OVIP, (BLUMENTHAL, W MICHAEL)
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/78326b59-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009